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Nonprofit Strategies



SAN LUIS OBISPO COUNTY COMMUNITY FOUNDATION

Proposed bill attempts to strengthen nonprofits

By Barry VanderKelen

A bill recently introduced in the U.S. House of Representatives, the Nonprofit Sector and Community Solutions Act (H.R. 5533), aims to strengthen the effectiveness of the relationship between the federal government and nonprofits.

Nonprofits deliver many services efficiently, employ more than 13 million people, and represent about 10 percent of the national economy.

Despite the importance of the sector, no federal agency or congressional committee has responsibility for evaluating, building or maintaining the capacity of the nonprofit sector.

More than five congressional committees are responsible for aspects of the nonprofit sector, and these committees rarely coordinate their oversight responsibilities.

The government measures almost every aspect of commerce, from production of autos and wheat, to emerging market trends.

But the government fails to consider how federal dollars flow to nonprofits through state and local governments, or even how much public support is donated each year to distinct charitable activities.

Current data collection is inadequate so policy decisions are made based more on conjecture than hard data.

The Nonprofit Sector and Community Solutions Act has three key components:

- Creation of a bi-partisan council that will recommend efficiencies in the relationship between government and nonprofits, and ways to measure community-based impact of the government-nonprofit partnership.

- Establish an interagency working group of pertinent government

officials and nonprofit leaders to resolve inconsistent and conflicting federal oversight of nonprofits.

- Charge a single, existing federal agency with coordinating data collection on nonprofits.

The need for this legislation was recognized during the recent debate on health care reform bills. Working definitions of businesses do not include nonprofits.

If the definitions weren't expanded at the last minute, the provisions of the bills would have applied to all organizations except nonprofits.

The Council of Nonprofits — www.councilofnonprofits.org — has more information about this proposed legislation.

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Resource Use:

- Support nonprofit leadership
- Board development/training
- Strategic planning

Nonprofit Business Column of *The Tribune*

Barry VanderKelen, Executive Director of the San Luis Obispo County Community Foundation writes a bi-weekly column to help strengthen nonprofit organizations in the community.

The Tribune publishes the column every other week in the Business section.

Each column is reprinted as a one-page handout for use by local organizations. Barry can be reached at 543-2323 or by e-mail at barry@sloccf.org.